SECOND REGULAR SESSION

SENATE BILL NO. 899

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR PEARCE.

Read 1st time February 4, 2010, and ordered printed.

4690S.02I

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 160.545 and 173.1105, RSMo, and to enact in lieu thereof nine new sections relating to the Missouri promise program.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 160.545 and 173.1105, RSMo, are repealed and nine

- 2 new sections enacted in lieu thereof, to be known as sections 160.545, 173.1105,
- 3 173.1174, 173.1175, 173.1178, 173.1181, 173.1184, 173.1187, and 173.1190, to
- 4 read as follows:
- 160.545. 1. There is hereby established within the department of
- 2 elementary and secondary education the "A+ Schools Program" to be administered
- 3 by the commissioner of education. The program shall consist of grant awards
- 4 made to public secondary schools that demonstrate a commitment to ensure that:
- 5 (1) All students be graduated from school;
- 6 (2) All students complete a selection of high school studies that is
- 7 challenging and for which there are identified learning expectations; and
- 8 (3) All students proceed from high school graduation to a college or
- 9 postsecondary vocational or technical school or high-wage job with work place
- 10 skill development opportunities.
- 11 2. The state board of education shall promulgate rules and regulations for
- 12 the approval of grants made under the program to schools that:
- 13 (1) Establish measurable districtwide performance standards for the goals
- 14 of the program outlined in subsection 1 of this section; and
- 15 (2) Specify the knowledge, skills and competencies, in measurable terms,
- 16 that students must demonstrate to successfully complete any individual course
- 17 offered by the school, and any course of studies which will qualify a student for

18 graduation from the school; and

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- 19 (3) Do not offer a general track of courses that, upon completion, can lead 20 to a high school diploma; and
 - (4) Require rigorous coursework with standards of competency in basic academic subjects for students pursuing vocational and technical education as prescribed by rule and regulation of the state board of education; and
- 24 (5) Have a partnership plan developed in cooperation and with the advice 25of local business persons, labor leaders, parents, and representatives of college 26 and postsecondary vocational and technical school representatives, with the plan then approved by the local board of education. The plan shall specify a 2728 mechanism to receive information on an annual basis from those who developed the plan in addition to senior citizens, community leaders, and teachers to update 29 the plan in order to best meet the goals of the program as provided in subsection 30 1 of this section. Further, the plan shall detail the procedures used in the school 31 to identify students that may drop out of school and the intervention services to 32 be used to meet the needs of such students. The plan shall outline counseling 33 and mentoring services provided to students who will enter the work force upon 34 graduation from high school, address apprenticeship and intern programs, and 35 shall contain procedures for the recruitment of volunteers from the community 36 37 of the school to serve in schools receiving program grants.
 - 3. A school district may participate in the program irrespective of its accreditation classification by the state board of education, provided it meets all other requirements.
 - 4. By rule and regulation, the state board of education may determine a local school district variable fund match requirement in order for a school or schools in the district to receive a grant under the program. However, no school in any district shall receive a grant under the program unless the district designates a salaried employee to serve as the program coordinator, with the district assuming a minimum of one-half the cost of the salary and other benefits provided to the coordinator. Further, no school in any district shall receive a grant under the program unless the district makes available facilities and services for adult literacy training as specified by rule of the state board of education.
 - 5. For any school that meets the requirements for the approval of the grants authorized by this section and specified in subsection 2 of this section for three successive school years, by August first following the third such school year,

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the commissioner of education shall present a plan to the superintendent of the 54 55 school district in which such school is located for the waiver of rules and regulations to promote flexibility in the operations of the school and to enhance 56 57 and encourage efficiency in the delivery of instructional services in the school. The provisions of other law to the contrary notwithstanding, the plan 58 59 presented to the superintendent shall provide a summary waiver, with no 60 conditions, for the pupil testing requirements pursuant to section 160.257 in the 61 school. Further, the provisions of other law to the contrary notwithstanding, the 62plan shall detail a means for the waiver of requirements otherwise imposed on the school related to the authority of the state board of education to classify 63 school districts pursuant to subdivision (9) of section 161.092, RSMo, and such 64 other rules and regulations as determined by the commissioner of education, 65 except such waivers shall be confined to the school and not other schools in the 66 67 school district unless such other schools meet the requirements of this subsection. However, any waiver provided to any school as outlined in this subsection shall 68 be void on June thirtieth of any school year in which the school fails to meet the 69 70 requirements for the approval of the grants authorized by this section as specified in subsection 2 of this section. 71

- 6. For any school year, grants authorized by subsections 1 [to 3], 2, and 4 of this section shall be funded with the amount appropriated for this program [, less those funds necessary to reimburse eligible students pursuant to subsection 7 of this section].
- 7. [The commissioner of education shall, by rule and regulation of the state board of education and with the advice of the coordinating board for higher education, establish a procedure for the reimbursement of the cost of tuition, books and fees to any public community college or vocational or technical school or within the limits established in subsection 9 of this section for any two-year private vocational or technical school for any student:
- (1) Who has attended a public high school in the state for at least three years immediately prior to graduation that meets the requirements of subsection 2 of this section, except that students who are active duty military dependents who, in the school year immediately preceding graduation, meet all other requirements of this subsection and are attending a school that meets the requirements of subsection 2 of this section shall be exempt from the three-year attendance requirement of this subdivision; and
 - (2) Who has made a good faith effort to first secure all available federal

90 sources of funding that could be applied to the reimbursement described in this 91 subsection; and

- 92 (3) Who has earned a minimal grade average while in high school as 93 determined by rule of the state board of education, and other requirements for the 94 reimbursement authorized by this subsection as determined by rule and 95 regulation of said board.
- 8.] The commissioner of education shall develop a procedure for evaluating the effectiveness of the program described in this section. Such evaluation shall be conducted annually with the results of the evaluation provided to the governor, speaker of the house, and president pro tempore of the senate.
- 101 [9. For a two-year private vocational or technical school to obtain 102 reimbursements under subsection 7 of this section, the following requirements 103 shall be satisfied:
- 104 (1) Such two-year private vocational or technical school shall be a member 105 of the North Central Association and be accredited by the Higher Learning 106 Commission as of July 1, 2008, and maintain such accreditation;
- 107 (2) Such two-year private vocational or technical school shall be 108 designated as a 501(c)(3) nonprofit organization under the Internal Revenue Code 109 of 1986, as amended;
- 110 (3) No two-year private vocational or technical school shall receive tuition 111 reimbursements in excess of the tuition rate charged by a public community 112 college for course work offered by the private vocational or technical school within 113 the service area of such college; and
- 114 (4) The reimbursements provided to any two-year private vocational or 115 technical school shall not violate the provisions of article IX, section 8, or article 116 I, section 7, of the Missouri Constitution or the first amendment of the United 117 States Constitution.]
 - 173.1105. 1. Beginning with the 2007-08 academic year, an applicant who is an undergraduate postsecondary student at an approved private or public institution and who meets the other eligibility criteria shall be eligible for financial assistance, with a minimum and maximum award amount as follows:
 - (1) One thousand dollars maximum and three hundred dollars minimum for students attending institutions classified as part of the public two-year sector;

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7 (2) Two thousand one hundred fifty dollars maximum and one thousand 8 dollars minimum for students attending institutions classified as part of the 22

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- 9 public four-year sector, including Linn State Technical College; and
- 10 (3) Four thousand six hundred dollars maximum and two thousand dollars
 11 minimum for students attending approved private institutions.

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- 12 2. All students with an expected family contribution of twelve thousand dollars or less shall receive at least the minimum award amount for his or her 13 14 institution. Maximum award amounts for an eligible student with an expected family contribution above seven thousand dollars shall be reduced by ten percent 15 16 of the maximum expected family contribution for his or her increment 17 group. [Any award amount shall be reduced by the amount of a student's reimbursement pursuant to section 160.545, RSMo.] For purposes of this 18 subsection, the term "increment group" shall mean a group organized by expected 19 family contribution in five hundred dollar increments into which all eligible 20 students shall be placed. 21
 - 3. If appropriated funds are insufficient to fund the program as described, the maximum award shall be reduced across all sectors by the percentage of the shortfall. If appropriated funds exceed the amount necessary to fund the program, the additional funds shall be used to increase the number of recipients by raising the cutoff for the expected family contribution rather than by increasing the size of the award.
- 4. Every three years, beginning with academic year 2009-10, the award 28 29 amount may be adjusted to increase no more than the Consumer Price Index for 30 All Urban Consumers (CPI-U), 1982-1984 = 100, not seasonally adjusted, as 31 defined and officially recorded by the United States Department of Labor, or its successor agency, for the previous academic year. The coordinating board shall 32 prepare a report prior to the legislative session for use of the general assembly 33 and the governor in determining budget requests which shall include the amount 34 of funds necessary to maintain full funding of the program based on the baseline 35 36 established for the program upon the passage of sections 173.1101 to 173.1107. Any increase in the award amount shall not become effective unless 37an increase in the amount of money appropriated to the program necessary to 38 cover the increase in award amount is passed by the general assembly. 39
 - 173.1174. The program established under sections 173.1174 to
 2 173.1190 shall be known and may be cited as the "Missouri Promise
 3 Program". The Missouri promise program shall be the successor to the
 4 A+ scholarship program.

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- context requires otherwise, the following terms mean:
- 3 (1) "Approved public institution", a public institution of higher education that meets the criteria set forth in subdivision (3) of section 173.1102: 5
- 6 (2) "Approved public university", an approved public institution that offers at least one baccalaureate-level degree program; 7
- (3) "Associate's degree", an associate of arts degree, an associate's 8 degree that contains the forty-two-hour general education block established by the coordinating board, or an associate's degree in a program that is part of an articulation agreement recognized by the coordinating board;
- (4) "Average university tuition", the sum of the amount of tuition 13 charged by each approved public university divided by the total 14 number of approved public universities; 15
- (5) "Coordinating board", the coordinating board for higher 16 17 education;
- 18 (6) "Eligible approved private institution", a private institution 19 of higher education that meets the criteria set forth in subdivision (2) of section 173.1102 and: 20
 - (a) Is a two-year vocational or technical school;
- 22(b) Is a member of the North Central Association and is accredited by the Higher Learning Commission as of July 1, 2008, and 23 24maintains such accreditation;
 - (c) Is designated as a 501(c)(3) nonprofit organization under the Internal Revenue Code of 1986, as amended; and
- 27 (d) Does not violate the provisions of article I, section 7, or 28article IX, section 8, of the Missouri Constitution, or the first 29 amendment of the United States Constitution by receiving reimbursements under the Missouri promise program; 30
- 31 "Expected family contribution", the amount of money a **(7)** student and family should pay toward the cost of postsecondary 32education as calculated by the United States Department of Education 33 and reported on the student aid report or the institutional student 3435 information record;
- (8) "Full-time student", an individual who is enrolled in and is 36 carrying a sufficient number of credit hours or their equivalent at an 37approved public institution or an eligible approved private institution 38

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to secure the degree or certificate toward which he or she is working in no more than the number of semesters or the equivalent normally required by that institution in the program in which the individual is enrolled:

- (9) "Level 1 Missouri Promise award", an award received by a student who is attending an approved public institution that is a community college or public vocational or technical school, or an eligible approved private institution;
- 47 (10) "Level 2 Missouri Promise award", an award received by a 48 student who is attending an approved public university;
- 49 (11) "Tuition", the amount of tuition and fees charged by an 50 institution to all undergraduate students who are Missouri residents 51 and who are enrolled as full-time students.

173.1178. 1. The coordinating board shall administer the Missouri Promise program and shall promulgate rules and regulations for the program's implementation and operation. The coordinating board shall prescribe the form, time, and method of filing applications 5 and supervise the processing thereof. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the 6 authority delegated in sections 173.1174 to 173.1190 shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and 10 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the 11 effective date, or to disapprove and annul a rule are subsequently held 12unconstitutional, then the grant of rulemaking authority and any rule 13 14 proposed or adopted after August 28, 2010, shall be invalid and void.

2. The coordinating board shall determine eligibility criteria for Missouri promise awards. The coordinating board shall also establish procedures by which students who meet criteria specified by the coordinating board may seek to defer their initial or renewal Missouri promise awards for a particular time period, and by which students who fail to achieve the required grade point average while receiving a Missouri promise award may be granted a finite grace period. Missouri promise awards shall be available for a period of four years after high school graduation unless a deferral is granted to the applicant by the coordinating board in accordance with established procedures.

3. The coordinating board shall select qualified applicants to receive awards, make awards to qualified applicants, and determine the manner and method of payment of awards. The coordinating board shall determine eligibility for renewal awards. In making renewal awards, the coordinating board may increase or decrease the amount of an applicant's award if such action is warranted by a change in the financial condition of the applicant, the applicant's spouse, or the applicant's parents, or the availability of appropriated funds.

4. The coordinating board may allow the department of higher education to implement the Missouri promise program.

5. There is hereby created in the state treasury the "Missouri Promise Fund". The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely to provide awards to qualified applicants as provided by sections 173.1174 to 173.1190. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

173.1181. 1. No applicant for a level 1 or level 2 Missouri promise award shall be eligible to receive an award unless the applicant:

- (1) Is a citizen or permanent resident of the United States;
- 4 (2) Is a Missouri resident who graduated from a Missouri public 5 high school;
 - (3) Is enrolled, or has been accepted for enrollment, as a full-time student in a program leading to a formal postsecondary non-degree award, one- or two-year certificate, an associate's degree or a bachelor's degree at an approved public institution or an eligible approved private institution;
 - (4) Is not enrolled and does not intend to use the award to enroll in a course of study leading to a degree in theology or divinity;
 - (5) Has not been found guilty of or plead guilty to any criminal offense during the period of time in which the applicant is receiving a Missouri promise award, provided such offense would disqualify the applicant from receiving federal student aid under Title IV of the

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17 Higher Education Act of 1965, as amended;

- 18 (6) Has attempted to first secure all available state and federal 19 postsecondary student financial assistance that does not require 20 repayment by submitting a completed Free Application for Federal 21 Student Aid by the deadline established by the coordinating board.
- 22 2. An applicant may be eligible to receive an initial level 1 23 Missouri promise award if the applicant meets the following criteria, 24 in addition to meeting the criteria set forth in subsection 1 of this 25 section;
 - (1) During high school, the applicant:
- 27 (a) Achieved an overall grade point average of two and five-28 tenths or higher on a four-point scale, or the equivalent on another 29 scale;
- 30 (b) Has at least a ninety-five percent attendance record overall 31 for grades nine through twelve;
- 32 (c) Performed at least fifty hours of unpaid community service; 33 and
- 34 (d) Maintained a record of good citizenship and avoidance of the 35 unlawful use of drugs or alcohol; and
 - (2) The applicant enrolls in an approved public institution that is a community college or public vocational or technical school, or an eligible approved private institution as a full-time student.
- 39 3. An applicant may be eligible to receive a renewal level 1
 40 Missouri promise award if the applicant meets the following criteria,
 41 in addition to meeting the criteria set forth in subsections 1 and 2 of
 42 this section:
- (1) The applicant remains continuously enrolled at an approved public institution that is a community college or public vocational or technical school, or an eligible approved private institution as a full-time student;
- (2) The applicant maintained a grade point average of two and five-tenths or higher on a four-point scale, or the equivalent on another scale, during the time that he or she received the Missouri promise award or an A+ scholarship; and
 - (3) The applicant received a Missouri promise award or an A+ scholarship during the academic year immediately preceding the academic year he or she seeks to receive a Missouri promise award, or,

beginning with the fall 2010 academic semester, would have received a level 1 Missouri promise award during each regular semester that he or she attended an approved public institution that is a community college or a public vocational or technical school, or an eligible approved private institution but did not receive the award solely due to the receipt of other state or federal postsecondary student financial assistance or combination thereof; provided, however, that no student shall receive a level 1 Missouri promise award or an A+ scholarship for more than six semesters.

- 4. An applicant may be eligible to receive an initial level 2 Missouri promise award if the applicant meets the following criteria, in addition to the criteria set forth in subsection 1 of this section:
- (1) The applicant received an associate's degree from an approved public institution that is a community college or public vocational or technical school, or an eligible approved private institution and enrolled in an approved public university within nine months of completing the associate's degree;
- (2) The applicant received a level 1 Missouri promise award or an A+ scholarship during each regular semester that he or she attended an approved public institution that is a community college or public vocational or technical school, or an eligible approved private institution, or, beginning with the fall 2010 academic semester, would have received a level 1 Missouri promise award during each regular semester that he or she attended an approved public institution that is a community college or a public vocational or technical school, or an eligible approved private institution but did not receive the award solely due to the receipt of other state or federal postsecondary student financial assistance;
- (3) The applicant achieved an overall grade point average of two and five-tenths or higher on a four-point scale, or the equivalent on another scale, while attending an approved public institution that is a community college or public vocational or technical school, or an eligible approved private institution; and
- 87 (4) The applicant has an expected family contribution of twelve 88 thousand dollars or less.
- 5. An applicant may be eligible to receive a renewal level 2 90 Missouri promise award if, in addition to meeting the criteria set forth

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91 in subsections 1 and 4 of this section, the applicant achieved an overall 92 grade point average of three points or higher on a four-point scale, or 93 the equivalent on another scale while attending an approved public university. No student shall receive a level 2 Missouri promise award 94 for more than four semesters, unless a deferral is granted to the 95 applicant by the coordinating board in accordance with established 96 procedures or the student is enrolled in a baccalaureate program for 97 which greater than one hundred twenty-four credit hours is required 98to graduate, as provided for by rule of the coordinating board. Under 99 100 no circumstances shall a student receive a level 2 Missouri promise award for more than six semesters. 101

173.1184. 1. An eligible student attending an approved public institution that is a community college or a public vocational or technical school may receive a level 1 Missouri promise award in an amount up to the student's actual tuition. An eligible student attending an eligible approved private institution may receive a level 1 Missouri promise award in an amount not to exceed the lesser of the student's actual tuition or the tuition charged by the community college in whose service area the eligible approved private institution is located. The latter amount shall include the tuition charged to in-district Missouri residents who enroll on a full-time basis.

- 2. A level 2 Missouri promise award shall not exceed the lesser of either the tuition at the institution a student is attending or the average university tuition.
- 3. Level 1 and level 2 Missouri promise awards shall be reduced by the amount of a student's award under the federal Pell grant program and any award received under the program established by sections 173.1101 to 173.1107 or that program's successor.
- 4. All Missouri promise awards are subject to appropriation. If appropriated funds are insufficient to fully fund all students eligible for level 1 and level 2 awards, the coordinating board shall adjust award amounts. Level 1 awards shall be fully funded before any level 2 awards are made. Awards shall be distributed in the following priority:
- 24 (1) Students eligible for level 1 awards. If appropriated funds 25 are insufficient to fund all students eligible to receive level 1 awards, 26 awards shall be reduced according to guidelines established by the

27 coordinating board;

(2) Students eligible for level 2 awards. If appropriated funds are insufficient to fund all students eligible to receive level 2 awards, awards shall be reduced according to guidelines established by the coordinating board.

173.1187. A recipient of a level 1 or level 2 Missouri promise award may transfer from one approved public or eligible approved private institution to another without losing eligibility for assistance under sections 173.1174 to 173.1190, but the coordinating board shall make any necessary adjustments in the amount of the award.

173.1190. If a Missouri promise award recipient is at any time entitled to a refund of any tuition, fees, or other charges under the rules and regulations of the institution in which he or she is enrolled, the institution shall pay the portion of the refund which may be attributed to the Missouri promise award to the coordinating board. The coordinating board shall use these refunds to make additional awards under the provisions of sections 173.1174 to 173.1190.

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